



## **Missouri Workforce Development Board Meeting**

September 4, 2019

1:00 p.m. to 5:00 p.m.

St. Charles Missouri Convention Center  
Two Convention Center Plaza  
St. Charles, Missouri 63303

**Members Present:** Dan Atwill, Matt Aubuchon, Garland Barton, Cara Cannon, Dr. Don Cook, Dr. John Gaal, Anna Hui, Kathy Lambert, Commissioner Zora Mulligan, William "Bill" Skains, Leroy Stromberg, Len Toenjes

**Members Absent:** Ray Tubaugh (Proxy to Chair), Todd Spencer (Proxy to Chair), Herb Dankert (Proxy to Chair), Wayne Feuerborn (Proxy to Chair), Jeanette Prenger (Proxy to Chair), Dr. Randall Williams, Rob Dixon, Dr. Randall Williams, Cheryl Thruston

**Other Representatives Present and/or Presenters:** Spencer Clark, Tim Gaines, Jennifer Tidball, Jerianne Jaegers-Brenneke, Elaine Bryan, Alan Spell, Melissa Woltkamp, Clint Flowers, Yvonne Wright, Scott Drachnik, Ben Abbott, Michael Hurlbert, Daryl Muhammad

**MOWDB Staff Present:** Mardy Leathers, Allyssa Miget, Mark Bauer

**Guest Attendees:** Karla Houchins, Michelle Smart, Ronda Anderson, Lisa Elrod, Danielle Briot, Yvonne Wright, Julie Carter, Diane Simbro, Sally Payne, Jeanna Caldwell, Tracey Brown, Sherri Rhuems, Mara Woody, Mervyn John, Sherri Baumeister, Jeffrey Taylor, Keith Roderick, Jim Enterline, Linda Kirk, Ben Abbott, Elisabeth Perkins, Jessica Black, Stephanie Morris, Greta Bax, Ronda Anderson, Luann Cundiff, Michelle Smart, Michael Ravenscraft

**Call to Order and Welcome:** Chairman Skains called the meeting to order at 1:02 PM and welcomed everyone. Chairman Skains requested Mark Bauer make an announcement. Mark announced that Mardy Leathers is the new Missouri Workforce Development Board Executive Director in addition to his role as the Director of the Missouri Department of Higher Education and Workforce Development (DHEWD) Office of Workforce Development. Also, Allyssa Miget will serve as the Missouri Workforce Development Board (MOWDB) Secretary in addition to her role as Senior Advisor to the DHEWD Office of Workforce Development.

**Roll Call:** Allyssa Miget called roll and declared a quorum

**Approval of Board Minutes from January 31, 2018:** With no corrections/edits requested, Garland Barton moved to approve the January 31, 2018 minutes; Dr. John Gaal seconded and the motion carried unanimously.

**Executive Committee Update – CWRC data:** Chairman Skains, Vice Chairman Toenjes and Alan Spell

Alan Spell, Interim Assistant Commissioner for Performance and Strategy with the Missouri Department of Higher Education and Workforce Development (DHEWD), provided background information about ACT® Workkeys®. It has been used in Missouri since 2002. Job seekers use the assessment to validate skills, understand where improvements may be needed, and assist with career decisions. Employers are better informed of a potential hire's foundational workplace skills when a NCRC certificate is in place, and many Missouri counties use the ACT® Work Ready Community designation to support business growth.

In 2017, there was a nationwide survey of community leaders and businesses around the nation regarding the value of work ready communities and the National Career Readiness Certificate (NCRC). Last fall Alan compiled the research data analysis on how folks with higher NCRC scores equal higher wages. The key findings show community leaders, by and large, were favorable about the NCRC. Six out of ten said the NCRC was moderately useful when looking for skilled employees. Eight of ten recognized it or preferred it in the hiring process. Less than two in ten used the NCRC for promoting current employees. The research confirms that the Certified Work Ready Communities (CWRC) appears to be a value, and as a result, it is going to continue in its usage. Please

see handout for detailed information from the survey. For more news about the ACT® Work Ready Communities Initiative, please visit [www.workreadycommunities.org](http://www.workreadycommunities.org).

#### **CWRC Recognition:** Melissa Woltkamp

Melissa Woltkamp reported 99 of the state's 115 counties are participating in the CWRC. Out of those, 79 counties are currently certified. There are 29 states nationwide that participate. Missouri is the first state in the nation to have a CWRC, and the goal is to be a fully certified state. Since the board last convened, four counties have reached their certification goals. The newly certified counties include Benton, Lewis, Marion, and Mississippi.

#### **WIOA Performance Discussion:** Clint Flowers and Elaine Bryan

Clinton Flowers gave a brief summary of The Workforce Innovation and Opportunity Act (WIOA) 4<sup>th</sup> quarter performance. The United States Department of Labor (USDOL) requires performance measures every two years. Clinton informed the board we have just completed the second year of performance negotiated out for Program Year (PY) 18 and PY19. The program year begins July 1<sup>st</sup> and ends June 30<sup>th</sup>. The 4<sup>th</sup> quarter is not the year-end final. Clinton's team posted a Federal Report on August 13<sup>th</sup>.

The data presented in Clinton's overview is generated by software used at Missouri's Job Centers. Measureable skills gain in data collection status is a benchmark measure. There are four primary measures for which implementation and collections begin. They include the following:

- Did participants gain employment within six months after exit from service?
- How many participants become employed with 12 months after exit?
- How many participants attained a credential?
- What were the earnings for employment after being served?

Elaine Bryan, Director of the Adult Education and Literacy (AEL) Program (title 2 of the WIOA), provided background information of what the AEL program does. They work with individuals who have dropped out of school, then come back needing an education so they can pass their high school equivalency exam. It is no longer called the GED. It is now called the HiSET. Elaine reported about 90% of the individuals come in at an 8<sup>th</sup> grade or lower level. About a third of the clientele served by AEL are called English language learners. Elaine's team prepares them for the HiSET and works with them to gain employment or go on to postsecondary education. They also have an online program called Missouri Learns. Each year they serve an average of 20,000 individuals. They have been ranked number one in 2015, 2017, and 2018. In 2016, they ranked number two.

#### **WIOA Plan Discussion:** Yvonne Wright lead presenter on behalf of WIOA partners

Yvonne Wright shared the progression of the WIOA State Plan and spoke briefly about what the state board's role is in that process. A public workforce system counsel, which is basically a representative of all the WIOA co-partners, has been established to design a vision and goals for the upcoming submission of the State Plan. Yvonne reported the draft of that plan is about 70 percent complete. Once the draft is finished (deadline is mid-October), it goes to a subcommittee of this State Board for review and feedback, and then it will go out for public comment. Following the public comment period, the plan writing team will review all comments and request an approval vote from the State Board. Next, it goes to the Governor for approval (January 2020). Yvonne expressed thanks to the group.

#### **One- Stop Certification Policy:** Yvonne Wright

Yvonne announced the Office of Workforce Development (OWD) Issuance 04-2019. This Issuance relates to the Missouri Comprehensive Job Center and Affiliate Job Center Certification Evaluation and Criteria.

In summary, the focus is on continuous improvement, and inclusion and guidance from all our partners in the drafting of this policy, Yvonne remarked.

Chair Skains requested that a motion be presented for a vote. Garland Barton presented a motion as follows: “I move that the Missouri Workforce Development Board, knowing the Office of Workforce Development created the One-Stop Certification criteria in consultation with Local Workforce Development Boards, establish the objective certification criteria contained in DWD Issuance 04-2019 (entitled Missouri One-Stop Job Center and Affiliate Job Center Certification Evaluation and Criteria) as the guidelines that Local Workforce Development Boards must follow in certifying their One-Stop Job Centers. It is further recommended that this guideline be formally approved by the Missouri Workforce Development Board.”

This motion was seconded by Dr. John Gaal and presented to the full board for discussion and vote. The motion carried by unanimous vote.

#### **MERIC Annual Report: Alan Spell**

Each year the Missouri Economic and Information Center (MERIC) generates a report to the board to profile performance over the past year as a part of the WIOA grant. Alan gave a quick high-level review of the grant. This report describes the core workforce information products and services provided to customers for the PY. It provides power to MERIC in various ways. MERIC is funded by USDOL. MERIC is the state’s cornerstone labor market and economic research organization. In addition to providing technical and policy support to the state and local partners. This entity deals with the unemployment rate and other related statistics. Alan’s team uses the information from the Bureau of Labor Statistics and adds value to it by maintaining a workforce information database. They also analyze employment projections which highlight what the trends are. This information is available on MERIC’s website (which is brand new). The new website features an interactive dashboard where unemployment information for all Missouri counties by region can be downloaded.

#### **Department of Higher Education And Workforce Development: Commissioner Zora Mulligan**

Commissioner Zora Mulligan proclaimed the Office of Workforce Development (OWD), MERIC, and the Department of Higher Education (legacy DHE) are officially one department as the Department of Higher Education and Workforce Development (DHEWD). It was made official on August 28, 2049 when the Governor’s Executive Order brought all entities together and was enacted. She relayed that OWD has been on a mission to engage all of the Job Center staff and partner staff to help them understand what the vision is as we move forward. Commissioner Mulligan announced Mardy Leathers will continue to have a very important and prominent role. Danielle Briot is serving as Commissioner Mulligan Interim Chief of Staff, and Kristen Stokley (who was the General Counsel for DWD) is now the General Counsel for the whole department. She also recognized Alan Spell for his appointment as Interim Assistant Commissioner for Performance and Strategy. She stated this is noteworthy because it shows that people who really understand how the workforce system works will help lead the department. Commissioner Mulligan views the transition as an integrated team sharing knowledge and building a strong group.

Commissioner Mulligan spoke about the logic behind the combination of higher education and workforce development. She stated we are approaching a time of significant change in our economy and workforce. We continue to see a lot of people that have a set of skills that are not highly marketable in the job market. This will accelerate as the job market changes, as more digital literacy is required, as more automated facilities are needed, etc. A trend that is true across the nation is also very true in Missouri, which is more and more people are moving away from small towns to cities. This puts in a position where we are really having to fight for their survival, and workforce is one very important key factor in that equation.

One of the statistics on Commissioner Mulligan’s slide deck shows what is called deaths of despair (which has to do with mental illness), drug and alcohol abuse. This is a big challenge. There is a lot of work to be done. Hope is the opposite of despair, and hope is what is needed to empower people with the skills and the education they need to break this despair cycle. Commissioner Mulligan feels this is the level of thinking we need to aim for – focusing on what the big problems that state leaders are responsible for solving in order to better serve our citizens.

DHEWD spends a lot of time and money trying to convince more people graduating high school to go to college and persuading them there is a way to pay for it. DHEWD also works with colleges and universities to help students succeed by removing roadblocks and barriers. OWD provides a resource that DHE never had by providing services to people who do not have high school diplomas. The Missourians who are often more likely to find themselves unemployed and in need of assistance either in the immediate job search or in terms of getting training. OWD has excelled in apprenticeships and other opportunities to earn and learn, while the higher education world struggles.

This evolution will continue as roles are defined and as resources and recommendations are established. This merge will increase Missouri's awareness of options that align with their interest, resources, and talent. DHEWD needs to be broader in how we talk about the options available and make it clear to them what is out there in terms of a good pathway for them. One of the tasks is determining what resources we can apply to the various certificates, credentials, and degrees. Five to Thrive is in draft form. This idea shows the many different pathways toward getting a better job and a better life. Communicating to students these options and making sure there is a process in place to track their progress is the goal. The foundation includes communication, critical thinking, entrepreneurship, leadership, teamwork, work ethic, informed decision making, digital literacy, and mental health. John Gaal suggested financial literacy is definitely a mental health issue and should be added to the foundational elements. He called this lag an economic gap. Commissioner Mulligan stated that financial literacy was discussed and sees now that it definitely fits into the framework. She pointed out another reality that as jobs and the economy change, this will not be a linear progression.

Commissioner Mulligan mentioned one of the areas for opportunity is to increase the DHEWD's partnership with K-12 organizations and with the Department of Elementary and Secondary Education (DESE). The State Board of Education (which is the board for the K-12 schools) has really stepped up to focus more on course preparation. Commissioner Mulligan's team meets with the State Board of Education annually. One of DHEWD's primary goals is to have 60 percent of Missourians possessing a degree or certificate by 2025. The vision of DHEWD is to empower every Missourian with the skills needed for success.

The Commissioner shared a new grant called Fast Track. The Fast Track Workforce Incentive Grant is a new financial aid program that addresses workforce needs by encouraging adults to pursue a certificate, degree, or industry-recognized credential in an area designated as high need. Eligible participants must exhaust all other funding options and an income of \$40,000 annually as a single Missourian or \$80,000 annually married. Included in the grant is a \$500 stipend available for books or food, and equipment. Participants must reside in Missouri and be employed for three years. If they do not meet these requirements, it converts into a loan. Commissioner Mulligan noted that the dollar amounts for Fast Track will be much lower than the average student debt.

Commissioner Mulligan concluded by thanking the State Board, partner staff, and the new DHEWD team for their continued support and dedication to the great state of Missouri.

### **Office of Workforce Development**

#### **Delta Project Update:** Director Mardy Leathers

Director Mardy Leathers thanked the Commissioner for her passion and expressed delight that she has truly embraced workforce development.

As part of the tornado that struck the Jefferson City in May, which canceled that meeting, the Jefferson City Job Center was impacted and destroyed. Job Center staff and participants have been redirected to the Columbia Job Center. The Department of Social Services (DSS) resided in the Jefferson City Job Center building and were also impacted. Director Leathers is working with the Office of Administration (OA) to relocate this center to the Capital Mall on the west side of Jefferson City. The goal is to have the facility operational by January 2020. DSS will again be co-located with the job center. The Dunklin Street Building sustained extensive damage, and as a result OWD moved to the Harry S. Truman Building (HSTB) in a mere matter of three days.

Director Leathers reported Missouri is in its fourth year of federal funding, formula reductions, and capturing a ten percent ceiling clause. Missouri has seen a decline in funding in the last couple years of over \$3 million in the local areas and \$1.3 million to the state. What this means is fewer resources to operate the 30 job centers and 17 affiliates across the state; fewer resources for the 240 state staff members, and another 250 -280 partner staff members to deliver services to jobseekers, to the unemployed, as well as the underemployed. The key is to solving this complex equation is learning to do a lot more, do it better, and do it with substantially fewer resources. Director Leathers question is how do we work to maintain sustainability to create resilience and also meet our duties under federal law? He stated the extensive work is in the service and delivery area.

Federal law requires annual monitoring of sub recipients. Missouri has 35 sub recipients; 14 of them are workforce boards. Our state has a lot more contracted partners, which means we have more people to maintain compliance. OWD is responsible for three types of monitoring, including equal opportunity, programs and case management, and fiscal accountability. OWD has submitted a Request for Proposal (RFP) to outsource the fiscal monitoring duties.

Director Leathers and his team have embarked on a new initiative called Operational Excellence. This involves prioritizing efficient and effective processes. The goal is to be a more performance driven organization and Operational Excellence will support the state in this arena.

Director Leathers reported [with the guidance of DOL] the OWD landed on a 60/40 split between administrative costs and training. OWD used a reverse funding formula to supplement \$1.3 million across the state to support regions that were lacking in funds. As a result of 13 new policy issuances, OWD designed Project DELTA. This is in an effort to hold OWD and the local regions more accountable.

In closing, Director Leathers announced the first ever Chief Local Elected Official and Board Chair Summit to be held on September 26. Director Leathers commended Mark Bauer for his continued service as he moves into a board policy advisor role.

#### **Local Workforce Development Area Reports:** Scott Drachnik

Scott Drachnik, St. Charles County Workforce Director, requested each Workforce Development region highlight a couple of their recent accomplishments as follows:

##### Kansas City & Vicinity:

- 123 women trained in non-traditional occupations
- Partnership with University of Central Missouri and SNAPIT Solutions resulted in 14 software developers hired with starting wage \$18.50 - \$30 per hour

##### Eastern Jackson County:

- Marine Veteran utilized Veteran's Services hired as a Claim Service Specialist at Geico – starting wage \$18.37 per hour
- 16 Full Employment Council adult education learners achieved their HiSet certificate through a partnership with Independence School District

##### Northwest:

- L.I.F.E. (Lessons in Facing Everything) Summit 2019. Young adults ages 16-24 are invited.

##### Southwest:

- Build My Future in Southwest Missouri 2020 planned
- Healthcare Career Expo upcoming

#### Ozark:

- Partnering with local Hack for Good group to develop an app for jobseeker by location
- Trained 190 participants in healthcare related fields in the first two quarter through the America's Promise Grant

#### West Central:

- Assisted with hiring events for NUCOR and Dollar Tree Distribution Center
- New Youth SEALs (Students Excited About Learning) Program included 42 youth participants with 28 receiving their HiSet diploma in May

#### Central:

- 665 justice-involved clients served through the moreentry.org program
- 155 WIOA enrollments = 48 percent employment rate

#### South Central:

- Garland Barton was re-elected to serve as the South Central Workforce Investment Board (SCWIB) Chairman
- Build My Future construction/trades Showcase for high school students scheduled on April 22, 2020 in West Plains

#### Northeast:

- Reverse Job Fair for people with disabilities held resulting in 13 job seekers and 27 employers in attendance
- First class of 12 inmates graduated from Connections to Success at Northeast Correctional Center

#### St. Louis County:

- St. Louis County recently implemented the Workkeys ® Remediation Program and is the largest county certified in NCRC Workkeys® in Missouri and the second largest in the United States
- Partnered with Washington University in an Earn-While-You-Learn Medical Assistant Apprenticeship Program that has already placed 30 individuals in employment with starting wages at \$14 on up per hour

#### SLATE:

- Howard Hayes appointed as the new Executive Director effective August 1, 2019

#### Jefferson/Franklin:

- Integrated service delivery with Partners and Employers
- Established comprehensive One-Stop Job Centers in Jefferson and Franklin Counties

#### Southeast:

- Ten apprenticeship graduates at Southeast Correctional Center in August 2019
- Awarded One-Stop Operator contract that begins October 1, 2019

#### St. Charles County:

- Hosted St. Louis Regional Workforce visit by the United States Labor Secretary Alexander Acosta and Senator Roy Blunt
- 25 participants in MORAP – Apprenticeship USA Program

**St. Charles County Workforce Development Board: Scott Drachnik**

Scott wears two hats for St. Charles County. He is the Workforce Director and the Economic Director. He proclaimed St. Charles County is the fastest growing population county in the state. Scott provided a community overview, it follows:

- Founded in 1812 and home of Missouri's first State Capitol from 1821 to 1826
- Four local cities consistently on Forbes Top 100 Best Places to Live in America
- Over \$1 billion in public transportation improvements locally funded since 1985
- Build forty percent of all new single-family homes

St. Charles is home to major for-profit employers that include General Motors, The Boeing Company, Amazon, CitiMortgage, to name a few. Also, home to major not-for-profit employers including SSM St. Joseph Hospital, City of O'Fallon, and several school districts.

Recent major developments include Amazon Fulfillment Center, FedEx Warehouse, Nike Air MI, Medline Distribution Center, and more. While the county boasts these accomplishments, they are challenged with the fact that 62 percent of all residents commute to jobs elsewhere in the metropolitan area.

Scott introduced Ben Abbott, President of Permian Plastics and Workforce Member, and the first company to utilize the apprenticeship program in St. Charles. He also welcomed Michael Hurlbert, Director of Community Development for the county.

**Questions and Comments:**

Chairman Skains thanked everyone for attending and looks forward to moving the board in a new and improved direction with the help from all workforce representatives.

**Adjourned 5:20 PM**